

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2009**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Calgary Arts Academy Society

Legal Name of School Jurisdiction

4931 Grove Hill Road SW, Calgary, Alberta, T3E 4G4

Mailing Address

ph: 403-532-3020 fax: 403-217-0965

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of ^{Calgary Arts Academy Society} presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with generally accepted accounting principles and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and follow the financial reporting requirements prescribed by Alberta Education.

BOARD CHAIR

Patricia M. Cavill

Name

"ORIGINAL SIGNED"

Signature

SUPERINTENDENT

Dale D. Erickson

Name

"ORIGINAL SIGNED"

Signature

SECRETARY TREASURER OR TREASURER

Garry E. Schock

Name

"ORIGINAL SIGNED"

Signature

17-Nov-09

Board-approved Release Date

TABLE OF CONTENTS

	Page
AUDITORS' REPORT INSERT	3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF REVENUES AND EXPENSES	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF CHANGES IN NET ASSETS	7
STATEMENT OF CAPITAL ALLOCATIONS	8
NOTES TO THE FINANCIAL STATEMENTS INSERT	9

Auditors' Report

To the Members of Calgary Arts Academy Society:

We have audited the statement of financial position of Calgary Arts Academy Society as at August 31, 2009 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at August 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Calgary, Alberta

October 23, 2009

Meyus Norris Perry LLP

Chartered Accountants

STATEMENT OF FINANCIAL POSITION
as at August 31, 2009

(in dollars)

		2009	2008 (Note)
ASSETS			
Current assets			
Cash and temporary investments	(Note x)	\$295,724	\$329,635
Accounts receivable (net after allowances)	(Note x)	\$40,019	\$71,542
Prepaid expenses	(Note x)	\$132,865	\$114,405
Other current assets	(Note x)	\$7,618	\$8,105
	Total current assets	\$476,226	\$523,688
School generated assets			
Trust assets	(Note x)	\$0	\$0
Long term accounts receivable	(Note x)	\$0	\$0
Long term investments	(Note x)	\$439	\$313
Capital assets (Note x)			
Land		\$0	\$0
Construction in Progress		\$0	\$0
Buildings	\$134,474		
Less: accumulated amortization	(\$45,551)	\$88,923	\$63,639
Equipment	\$506,194		
Less: accumulated amortization	(\$181,546)	\$324,647	\$337,353
Vehicles	\$28,150		
Less: accumulated amortization	(\$8,445)	\$19,705	\$22,520
	Total capital assets	\$433,276	\$423,512
	TOTAL ASSETS	\$912,761	\$961,829
LIABILITIES			
Current liabilities			
Bank indebtedness	(Note x)	\$0	\$0
Accounts payable and accrued liabilities	(Note x)	\$135,334	\$176,580
Deferred revenue	(Note x)	\$184,990	\$231,442
Deferred capital allocations	(Note x)	\$20,811	\$16,457
Current portion of long term debt		\$0	\$0
	Total current liabilities	\$341,135	\$424,479
School generated liabilities			
Trust liabilities	(Note x)	\$0	\$0
Employee future benefit liabilities	(Note x)	\$0	\$0
Long term debt (Note x)			
Supported: Debentures and other supported debt		\$0	\$0
Less: Current portion		\$0	\$0
Unsupported: Debentures and Capital Loans		\$0	\$0
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion		\$0	\$0
Other long term liabilities	(Note x)	\$0	\$0
Unamortized capital allocations	(Note x)	\$226,801	\$184,052
	Total long term liabilities	\$229,621	\$198,369
	TOTAL LIABILITIES	\$570,757	\$622,848
NET ASSETS			
Unrestricted net assets		\$51,938	\$115,977
Operating Reserves		\$0	\$0
Accumulated Operating Surplus (Deficit)		\$51,938	\$115,977
Investment in capital assets		\$290,067	\$223,003
Capital Reserves		\$0	\$0
Total Capital Funds		\$290,067	\$223,003
	Total net assets	\$342,004	\$338,981
	TOTAL LIABILITIES AND NET ASSETS	\$912,761	\$961,829

Note: Please input "(Restated)" in 2008 column heading where comparatives are not taken from the finalized 2007-2008 Audited Financial Statements filed with Alberta Education.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31, 2009
(in dollars)

	Actual 2009	Budget 2009 (Note)	Actual 2008 (Note)
REVENUES			
Government of Alberta	\$3,870,914	\$3,890,523	\$3,468,532
Federal Government and First Nations	\$0	\$0	\$0
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$63,130	\$57,099	\$40,250
Transportation fees	\$71,743	\$79,000	\$71,549
Other sales and services	\$0	\$0	\$0
Investment income	\$2,983	\$6,000	\$9,953
Gifts and donations	\$0	\$0	\$0
Rental of facilities	\$8,602	\$12,000	\$11,239
Net school generated funds	\$106,924	\$133,413	\$96,017
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$57,300	\$37,312	\$16,505
Other revenue	\$0	\$0	\$0
Total Revenues	\$4,181,596	\$4,215,347	\$3,714,045
EXPENSES			
Certificated salaries (Note x)	\$1,411,718	\$1,390,306	\$1,248,291
Certificated benefits (Note x)	\$166,738	\$205,179	\$142,948
Non-certificated salaries and wages (Note x)	\$648,825	\$591,080	\$517,589
Non-certificated benefits (Note x)	\$76,633	\$87,231	\$59,272
Services, contracts and supplies	\$1,599,009	\$1,665,828	\$1,612,022
Net school generated funds	\$106,924	\$133,413	\$96,017
Capital and debt services			
Amortization of capital assets			
Supported	\$0	\$0	\$0
Unsupported	\$168,726	\$101,313	\$64,002
Total Amortization of capital assets	\$168,726	\$101,313	\$64,002
Interest on capital debt			
Supported	\$0	\$0	\$0
Unsupported	\$0	\$0	\$0
Total Interest on capital debt	\$0	\$0	\$0
Other interest and charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
Total Expenses	\$4,178,573	\$4,174,350	\$3,740,141
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM			
	\$3,023	\$40,997	(\$26,096)
Extraordinary Item	\$0	\$0	\$0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$3,023	\$40,997	(\$26,096)

Note: Please input "(Restated)" where Actual 2008 comparatives are not as presented in the finalized 2007-2008 Audited Financial Statements filed with Alberta Education. Budget 2009 comparatives presented are final budget amounts formally approved by the Board.

STATEMENT OF CASH FLOWS
for the Year Ended August 31, 2009

(in dollars)

	2009	2008 (Note)
CASH FLOWS FROM:		
A. OPERATIONS		
Excess (deficiency) of revenues over expenses	\$3,023	(\$26,096)
Add (Deduct) items not affecting cash:		
Amortization of capital allocations revenue	(\$57,300)	(\$16,505)
Total amortization expense	\$168,726	\$64,002
Gains on disposal of capital assets	\$0	\$0
Losses on disposal of capital assets	\$0	\$0
Changes in:		
Accounts receivable	\$31,523	\$86,434
Prepays and other current assets	(\$17,973)	(\$9,573)
Long term accounts receivable	\$0	\$0
Long term investments	(\$127)	(\$175)
Accounts payable and accrued liabilities	(\$41,246)	\$24,352
Deferred revenue	(\$46,452)	\$51,540
Employee future benefit liabilities	\$0	\$0
Other (describe) Def. Cap. Alloc. For Library and Music expensed	\$0	(\$38,512)
Total cash flows from Operations	\$40,175	\$135,467
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	\$0	\$0
Equipment	(\$123,564)	(\$194,391)
Vehicles	\$0	\$0
Net proceeds from disposal of capital assets	\$0	\$0
Other (describe) Leasehold Improvements	(\$54,925)	(\$18,530)
Total cash flows from Investing activities	(\$178,489)	(\$212,921)
C. FINANCING ACTIVITIES		
Capital allocations	\$104,403	\$15,000
Issue of long term debt	\$0	\$0
Repayment of long term debt	\$0	\$0
Add back: supported portion	\$0	\$0
Other (describe)	\$0	\$0
Total cash flows from financing activities	\$104,403	\$15,000
Net cash flows from during the year	(\$33,911)	(\$62,454)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/08	\$329,635	\$392,090
Cash and temporary investments, net of bank indebtedness, at Aug. 31/09	\$295,724	\$329,635

Note: Please input "(Restated)" where Actual 2008 comparatives are not as presented in the finalized 2007-2008 Audited Financial Statement filed with Alberta Education.

**STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2009**

School Jurisdiction Code: 0151

(in dollars)

	(1) TOTAL NET ASSETS Cols. 2+3+4+5	(2) INVESTMENT IN CAPITAL ASSETS	(3) UNRESTRICTED NET ASSETS	(4) - (15) INTERNALLY RESTRICTED NET ASSETS																		
				(5) TOTAL OPERATING RESERVES Cols. 6+8+10+12+14	(6) School & Instruction Related		(7) Operations & Maintenance		(8) Board & System Admin.		(9) Transportation		(10) External Services									
					(11) Operating Reserves	(12) Capital Reserves	(13) Operating Reserves	(14) Capital Reserves	(15) Operating Reserves	(16) Capital Reserves	(17) Operating Reserves	(18) Capital Reserves	(19) Operating Reserves	(20) Capital Reserves								
Balance at August 31, 2008	\$338,981	\$223,003	\$115,977	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Prior period adjustments (describe)																						
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Adjusted Balance, Aug. 31, 2008	\$338,981	\$223,003	\$115,977	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Excess (deficiency) of revenue over expenses	\$3,023		\$3,023																			
Board funded capital additions		\$178,489	(\$178,489)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Disposal of unsupported capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Disposal of supported capital assets (board funded portion)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Direct credits to net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Amortization of capital assets		(\$168,726)	\$168,726																			
Amortization of capital allocations		\$57,300	(\$57,300)																			
Debt principal repayments (unsupported)		\$0	\$0																			
Net transfers to operating reserves			\$0																			\$0
Net transfers from operating reserves			\$0																			\$0
Net transfers to capital reserves			\$0																			\$0
Net transfers from capital reserves			\$0																			\$0
Assumption/transfer of other operations' net assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance at August 31, 2009	\$342,004	\$290,067	\$51,938	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATEMENT OF CAPITAL ALLOCATIONS
(EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2009
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2008	\$16,457	\$184,052
Prior period adjustments	\$0	\$0
Adjusted balance, August 31, 2008	\$16,457	\$184,052
Add:		
Restricted capital allocations from: Alberta Education including school and modular projects	\$0	
Other Government of Alberta	\$79,783	
Federal Government and First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$0	
Other capital grants and donations	\$24,620	
Net proceeds on disposal of supported capital assets	\$0	
Insurance proceeds (and related interest)	\$0	
Donated capital assets (amortizable, @ fair market value)		\$0
Transferred in capital assets (amortizable, @ net book value)		\$0
Current Year Debenture Principal Repayment		\$0
Expended capital allocations - current year	(\$100,049)	\$100,049
Deduct:		
Net book value of supported capital assets dispositions, write-offs, or transfer; Other	\$0	\$0
Capital allocations amortized to revenue		\$57,300
Balance at August 31, 2009	\$20,811	\$226,801

* Infrastructure Maintenance Renewal/Infrastructure Maintenance Program allocations are excluded from this Statement, since those contributions are not externally restricted to capital.

1. Authority and purpose of the Society

The Calgary Arts Academy Society ("the Society") delivers educational programs, operating as the Calgary Arts Academy under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 2002. The Society was incorporated on May 1, 2003 under the Societies Act of Alberta. Through a charter established with the Minister of Learning, the Society operates a charter school from two locations. The school provides education from Kindergarten to Grade 9.

The Society receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the Society, within specified limits, to reallocate funding between the instruction and support blocks.

The Society is incorporated as a not-for-profit organization and as such is exempt from taxes. In order to maintain its status as a registered not-for-profit organization under the Income Tax Act ("the Act"), the Society must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

The 2009/2010 school year commenced August 13, 2009. Therefore, all expenses incurred during the last two weeks of August, which related to the 2009/2010 school year, were deferred to the 2010 fiscal year.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles using the following significant accounting policies:

Cash and temporary investments

Cash and temporary investments include balances with banks and short-term investments. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Prepaid expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year end, and are, accordingly, recorded as prepaid expenses. Certain insurance expenses also fall into this category.

School generated funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school authority because the accountability and control/ownership of these funds rests with school authority officials or their appointee. Revenue from school generated funds is recognized as the related expenses are incurred.

Capital assets

Property and equipment are initially recorded at cost. Amortization commences, subsequent to the period of purchase, over their estimated useful lives on a straight line basis at the following rates:

	Rate
Vehicles	10 %
Computer equipment	20 %
Computer software	100 %
Furniture and fixtures	20 %
Leasehold improvements	20 %
Sound system	20 %
Non-computer technology	20 %
Library resources	100 %
Music equipment	100 %

Property and equipment acquired with a cost in excess of \$5,000 are capitalized and amortized over their useful lives. Items below that threshold are expensed unless they have a useful life in excess of a year, in which case they are fully amortized in the year of acquisition due to their immaterial nature. This provides for better visibility of assets under management.

2. **Significant accounting policies** *(Continued from previous page)*

Vacation pay

Vacation pay is accrued in the period in which employees earn the benefit.

Pensions

The current service and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Society does not make pension contributions for certificated staff.

Revenue recognition

The Society recognizes revenue when the goods or services have been delivered and uses the deferral method for recognizing contributions and fund raising revenues. Deferred amounts are reported as income in the year the related expenses are incurred. Instruction and support allocations are recognized in the year to which they relate. Unrestricted donations are recognized as revenue when received. Donations in-kind are recorded at fair market value when reasonably determinable. Externally restricted contributions are deferred and recognized as revenue in the period in which the related expenses are incurred.

Contributions received which are restricted in use to the acquisition of capital assets are recognized as revenue over the estimated useful life of the asset at the same rate as the related capital asset is amortized for accounting purposes. The unamortized balance of the contribution is described in the statement of financial position as "unamortized capital allocations".

Contributed services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as sporting events and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Reserves for future expenditures

Reserves are established at the discretion of the board for future operating and capital expenditures. Transfers to or from operating and capital reserves are shown as adjustments to the net assets.

Financial instruments

The Society has classified the following financial assets and liabilities as held for trading: cash and temporary investments, accounts receivable, school generated assets and accounts payable and accrued liabilities. Transactions to purchase or sell these items are recorded on the trade date, and transaction costs are immediately recognized in the statement of operations. Financial instruments held for trading are initially and subsequently measured at their fair value, without any deduction for transaction costs incurred on sale or other disposal. Gains and losses arising from changes in fair value are recognized immediately in the statement of operations. The fair value of financial instruments held for trading approximates their carrying value due to their short-term nature.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of the capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

2. Significant accounting policies *(Continued from previous page)*

Recent accounting pronouncements

Financial instrument deferral of section 3862 and 3863

In December 2006, the Canadian Institute of Chartered Accountants (CICA) issued Section 3862 Financial Instruments – Disclosures and Section 3863 Financial Instruments – Presentation to replace Section 3861 Financial Instruments – Disclosure and Presentation. The effective date for these new Sections was for interim and annual financial statements with fiscal years beginning on or after October 1, 2007, with earlier adoption permitted. However, in light of the uncertainty regarding the future direction in setting standards for not-for-profit organizations, the CICA released a decision to allow deferral of Sections 3862 and 3863 for this sector. Not-for-profit organizations should continue to apply Section 3861 until interim and annual financial statements with fiscal years beginning on or after October 1, 2008.

Disclosure of allocated expenses by not-for-profit organizations

In September 2008, the Canadian Institute of Chartered Accountants issued new recommendations for disclosures regarding allocated expenses by not-for-profit organizations. CICA Handbook Section 4470 Disclosure of Allocated Expenses by Not-for-profit Organizations requires disclosure by not-for-profit organizations that allocate fundraising and general support expenses to other functions of the policies adopted for the allocation of such expenses among functions, the nature of the allocated expenses, and the basis on which allocations are made. The section also requires disclosure of the amounts allocated from each of its fundraising and general support functions and the amounts and functions to which they have been allocated.

This new Section is effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2009. The Society does not expect this new standard to have a material impact on its financial statements.

3. Change in accounting policies

General Standards of Financial Statement Presentation

Effective September 1, 2008, the Society adopted the amendment to CICA Handbook Section 1400 General Standards of Financial Statement Presentation. This Section has been amended to include requirements to assess and disclose an entity's ability to continue as a going concern. When management is aware of material uncertainties related to events or conditions that may cast doubt on the Society's ability to continue as a going concern, those uncertainties are disclosed. In assessing the going concern assumption, management considers all available information about the future, which is at least, but is not limited to, twelve months from August 31, 2009.

The adoption of this amendment to Section 1400 did not have a material impact on the Society's financial statements. Management has concluded there are no material uncertainties related to the Society's ability to continue as a going concern.

During the year, the Society incorporated a new capitalization policy whereby assets which have a useful life of longer than one year and cost less than the \$5,000 capitalization threshold, are capitalized and amortized fully in the year of purchase. This was to allow for better optics on the statement of financial position for assets managed by the school while at the same time recognizing the full cost on the statement of revenues and expenses for income determination purposes. This change in accounting policy has had no effect on prior year figures and will not affect future operations. The effect on the current year financial statements is an increase in amortization expense, with a related decrease in services, contracts and supplies expense and an increase in the cost of capital assets with an increase in accumulated amortization. There is no overall affect to the statement of revenues and expenses.

Calgary Arts Academy Society
Notes to the Financial Statements
For the year ended August 31, 2009

4. Cash and temporary investments

The Society maintains a number of bank accounts including separate bank accounts for gaming fund activities. The gaming bank accounts are restricted as to the type of expenditures as set out in the provisions of the licences obtained from the provincial government gaming authorities.

	2009	2008
Cash	102,238	154,541
Restricted cash	22,495	6,498
Temporary investments	170,991	168,596
	295,724	329,635

The temporary investments are GIC's redeemable without penalty, earning interest at a rate of 0.50% (2008 - 2.05%) and not locked in to any maturity date.

5. Accounts receivable

	2009	2008
Alberta Government	-	5,360
Federal Government	19,400	46,091
Other	20,619	20,091
	40,019	71,542

6. Capital assets

	Cost	Accumulated amortization	2009 Net book value	2008 Net book value
Vehicles	28,150	8,445	19,705	22,520
Computer equipment	315,816	83,468	232,348	251,040
Computer software	10,987	-	10,987	-
Furniture and fixtures	84,600	31,310	53,290	62,621
Leasehold improvements	134,474	45,551	88,923	63,639
Sound system	18,975	3,810	15,165	7,620
Non-computer technology	16,072	3,214	12,858	16,072
Library resources	45,614	45,614	-	-
Music equipment	14,130	14,130	-	-
	668,818	235,542	433,276	423,512

7. Deferred capital allocations

Deferred capital allocations represent externally-restricted capital funds provided, received or receivable by the Society for a specific capital purpose, but for which the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

Calgary Arts Academy Society
Notes to the Financial Statements
For the year ended August 31, 2009

8. Unamortized capital allocations

Unamortized capital allocations represent externally-restricted capital funds that have been expended, but have yet to be amortized over the useful life of the related capital assets. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

9. Commitments

The Society leases two schools and six portables from the Calgary Board of Education. Leases for the Glenmeadows School and portables expire July 31, 2013, and the Knobhill School lease expires June 30, 2012. The Society's minimum annual lease payments for the next four years are as follows:

2010	553,655
2011	553,655
2012	553,655
2013	309,339
	1,970,304

10. Related party transactions

Effective 2005/2006, school jurisdictions are controlled by the Government of Alberta according to criteria set out in PSAB 1300. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	2009	2008
Government of Alberta		
Education funding	3,317,258	2,919,479
Infrastructure funding	553,655	552,053
Calgary Board of Education		
Lease payments	(553,655)	(552,035)
	3,317,258	2,919,497

11. Economic dependence

The Society's primary source of revenue is from the Alberta Government. The Society's ability to continue viable operations is dependent upon this continued funding.

The Alberta Government is currently operating in a deficit and have incorporated an amended funding methodology. For the 2009/2010 year, schools are to calculate budgets using the 2009/2010 funding factors/rates, however; the actual funding for the school will be reduced by a percentage, related to the net operating surpluses remaining in the school's jurisdiction. The government expects the jurisdiction to maintain its programs by drawing upon its own prior years' surpluses to pay for those programs. Management expects that the Calgary Arts Academy will not be subject to any kind of offset as they fall under the calculation threshold.

12. Financial instruments

The Society's financial instruments consist of cash and temporary investments, accounts receivable, school generated assets and accounts payable and accrued liabilities. It is management's opinion that the Society is not exposed to significant interest rate, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

13. Budgeted amounts

The budget was prepared by the school jurisdiction and approved by the Board on November 18, 2008. It is presented for information purposes only and has not been audited.

Calgary Arts Academy Society
Notes to the Financial Statements
For the year ended August 31, 2009

14. Remuneration and monetary incentives

The Society has paid or accrued expenses for the year ended August 31, 2009 to or on behalf of the following positions and persons in groups as follows:

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chair:								
Patricia Cavill	1.0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,646
Other Board Members:								
Jane Matheson, vice Chair	1.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Teri Basi, Board Secretary	1.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Karie Wylie, Board Treasurer	0.8	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chris Morrison, Board Treasurer	0.3	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cesar Romero, School Council Chair	0.8	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Joyce Buzath, School Council Chair	1.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ken McNeill, past Chair	0.3	\$0	\$0	\$0	\$0	\$0	\$0	\$333
Todd Hirsch	1.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rob Roach	1.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Al Wahlstrom	1.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mark Bellamy	0.8	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Emily Forrest	0.8	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Frankie Thomas	0.8	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal								
	11.3	\$0	\$0	\$0	\$0	\$0	\$0	\$1,979
Patrick Maguire, Superintendent	0.1	\$20,352	\$0	\$0	\$0	\$0	\$20,352	\$264
Dale Erickson, Superintendent	0.4	\$55,200	\$6,900	\$0	\$0	\$0	\$62,100	\$1,146
Garry Schock, Secretary-Treasurer	1.0	\$63,652	\$9,452	\$6,365	\$0	\$0	\$79,469	\$869
Certificated Teachers	20.4	\$1,325,000	\$159,838	\$14,816	\$16,702	\$0	\$1,516,356	
Non-certificated - Other	12.9	\$559,408	\$67,181	\$8,000	\$11,400	\$0	\$645,989	
TOTALS								
		\$2,023,612	\$243,371	\$29,181	\$28,102	\$0	\$2,324,266	\$4,258

UNAUDITED SCHEDULES
TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2009
[School Act, Section 276]

Calgary Arts Academy Society

Legal Name of School Jurisdiction

4931 Gorve Hill Road SW, Calgary, Alberta, T3E 4G4

Mailing Address

ph: 403-532-3020 fax: 403-217-0965

Telephone and Fax Numbers

Declaration of Secretary-Treasurer / Chief Financial Officer

To the best of my knowledge and belief, these unaudited schedules have been prepared following Alberta Education's reporting requirements for Alberta school jurisdictions. These schedules were submitted to the board for information purposes.

SECRETARY TREASURER OR TREASURER

Garry E. Schock
Name

original signed
Signature

17-Nov-09

Dated

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Wang@gov.ab.ca
PHONE: (780) 644-5672 FAX: (780) 422-6996

TABLE OF CONTENTS

		Page
SCHEDULE A	Allocation of Revenues and Expenses to Programs	3
SCHEDULE B	School Generated Funds (SGF)	4
SCHEDULE C	Operations and Maintenance Program Expenses	5

SCHEDULE A

School Jurisdiction Code: 0151

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2008-2009

REVENUES	ECS Instruction	Grades 1-12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration	External Services	TOTAL
(1) Alberta Education	\$137,858	\$2,524,358	\$808,098	\$183,744	\$188,154	\$0	\$3,842,212
(2) Other - Government of Alberta	\$0	\$28,702	\$0	\$0	\$0	\$0	\$28,702
(3) Federal Government and First Nations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(4) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Out of province authorities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Alberta Municipalities-special tax levies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(7) Instruction resource fees	\$8,525	\$54,605					\$63,130
(8) Transportation fees-ECS				\$1,500			\$1,500
(9) Transportation fees-Grades 1-12				\$70,243			\$70,243
(10) Other sales and services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(11) Investment income	\$0	\$0	\$0	\$0	\$2,983	\$0	\$2,983
(12) Gifts and donations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(13) Rental of facilities	\$0	\$0	\$8,602	\$0	\$0	\$0	\$8,602
(14) Net school generated funds	\$800	\$106,124	\$0	\$0	\$0	\$0	\$106,924
(15) Gains on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(16) Amortization of capital allocations	\$0	\$40,754	\$13,731	\$2,815	\$0	\$0	\$57,300
(17) Other revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) TOTAL REVENUES	\$147,183	\$2,754,543	\$830,431	\$258,302	\$191,137	\$0	\$4,181,596
EXPENSES							
(19) Certificated salaries	\$90,173	\$1,266,345			\$55,200	\$0	\$1,411,718
(20) Certificated benefits	\$11,873	\$147,965			\$6,900	\$0	\$166,738
(21) Non-certificated salaries and wages	\$0	\$528,808	\$0	\$9,802	\$110,215	\$0	\$648,825
(22) Non-certificated benefits	\$0	\$66,538	\$0	\$1,323	\$8,772	\$0	\$76,633
(23) SUB - TOTAL	\$102,046	\$2,009,656	\$0	\$11,126	\$181,087	\$0	\$2,303,914
(24) Services, contracts and supplies	\$25,536	\$386,445	\$887,700	\$272,173	\$27,153	\$0	\$1,599,008
(25) Net school generated funds	\$800	\$106,124					\$106,924
(26) Amortization of capital assets	\$2,281	\$133,989	\$29,641	\$2,815	\$0	\$0	\$168,726
(27) Interest and charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(28) Losses on disposal of capital assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(29) Other expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) TOTAL EXPENSES	\$130,663	\$2,636,214	\$917,342	\$286,114	\$208,240	\$0	\$4,178,573
(31) OVER EXPENSES BEFORE EXTRAORDINARY ITEM	\$16,520	\$118,328	(\$86,910)	(\$27,812)	(\$17,103)	\$0	\$3,023

**SCHEDULE B
SCHOOL GENERATED FUNDS (SGF) - 2008-2009**

Unexpended SGF - Opening Balance August 31, 2008 (Note 1)			\$14,316
Sources of School Generated Funds:	Gross SGF	Related Expenses	Net SGF
Fundraising activities	\$21,572	\$6,575	\$14,997
Student fees (Non-Instructional) (Note 1)	\$80,108	\$24,303	\$55,806
Donations and grants to schools	\$30,450	\$0	\$30,450
Other (describe): Rentals	\$9,567	\$965	\$8,602
Net Additions to SGF	\$141,697	\$31,842	\$109,855
Net SGF Available			\$124,171
Uses of Net School Generated Funds:			
Extra-curricular activities			\$13,314
Field Trips			\$24,886
Other (describe): Lib \$7k, Tech \$1.9k, Music Equip \$21.6k, Perf/Artists \$34k, POM \$8.6, Options			\$83,151
Total Uses of Net SGF (Note 2)			\$121,350
Unexpended SGF - Closing Balance August 31, 2009 (Note 3)			\$2,821

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school.

Notes:

- 1 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees related to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Fees charged for
- 2 Total uses of net SGF is reported as revenue and expense in the Statement of Revenues & Expenses of the Financial Statements.
- 3 Unexpended SGF is reported as SGF assets and SGF liabilities in the Statement of Financial Position.

**SCHEDULE C
Operations and Maintenance of Schools & Maintenance Shops Program Expense Details - 2008-2009**

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMR and Modular Unit Relocations	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$0	\$0	\$0	\$0	\$0		\$0		\$0
Uncertificated benefits	\$0	\$0	\$0	\$0	\$0		\$0		\$0
Sub-total Remuneration	\$0	\$0	\$0	\$0	\$0		\$0		\$0
Supplies and services	\$215,738	\$60,592	\$0	\$0	\$553,655		\$829,986		\$829,986
Electricity			\$30,684				\$30,684		\$30,684
Natural Gas/Heating Fuel			\$21,296				\$21,296		\$21,296
Sewer and Water			\$3,659				\$3,659		\$3,659
Telecommunications			\$0				\$0		\$0
Insurance					\$2,076		\$2,076		\$2,076
Amortization of capital assets									
Supported								\$0	\$0
Unsupported						\$29,641	\$29,641	\$0	\$29,641
Total Amortization						\$29,641	\$29,641	\$0	\$29,641
Interest on capital debt									
Supported								\$0	\$0
Unsupported									
Other interest charges									
Losses on disposal of capital assets									
TOTAL EXPENSES	\$215,738	\$60,592	\$55,639	\$0	\$555,731	\$29,641	\$917,342	\$0	\$917,342
SQUARE METRES									
School Buildings									5,146.0
Non School Buildings									0.0

Note:

- Custodial:** All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.
- Maintenance:** All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.
- Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
- Expensed IMR & Modular Unit Relocations:** All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects (AKA IMP and BQRP) and modular unit (portable) relocations.
- Facility Planning & Operations Administration:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project administration, administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
- Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.